



HIGHLIGHTS – 3Q2006 Performance

9M2006 HRC revenue RMB3.152b (S\$627.9m); 2.6% lower vs 9M2005
9M2006 HRC net profit RMB495.9m (S\$98.8m); 18.6% lower vs 9M2005
9M2006 HRC net profit margin 15.7% vs 18.8% in 9M2005

Significant decrease in average selling prices despite increase in sales volume

3Q2006 HRC net margin 18.3%; 4Q2006 margins slightly affected by expected rise in raw material price

Phase 2 technological enhancements on track to commence production December 2006

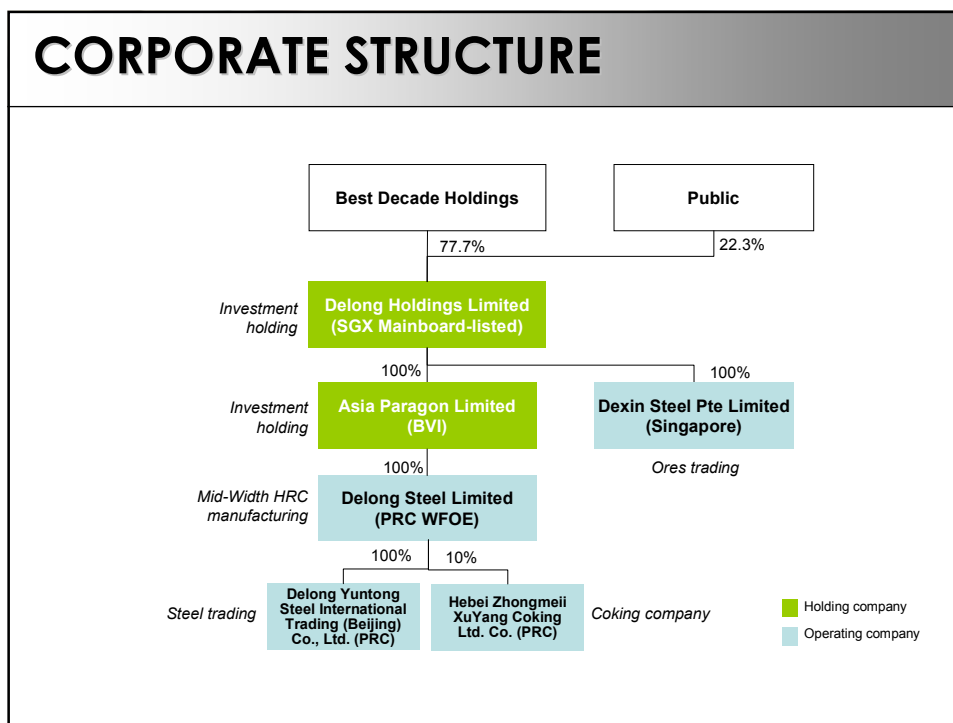
New annual capacity will increase 50% to 2.4 million tonnes from 1.6 million tonnes currently; full impact to be felt in FY2007

New cold-rolled coil plant in Xingtai (500,000 tonnes per annum)

Negotiating selection of equipment and facilities; conducting discussions with potential partners

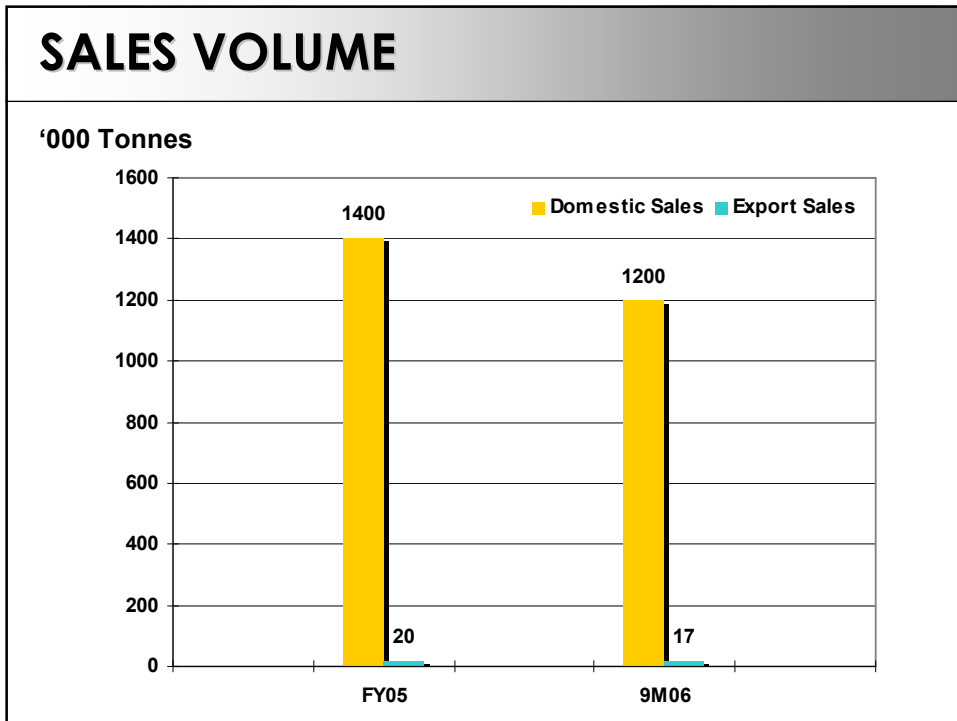
FY2007 performance to be better than that of FY2006

Full impact of increased HRC production capacity



KEY PRODUCT SPECIFICATIONS

Key Product	Mid-Width Hot-Rolled Coils
Product Width	520 ~ 1,100mm
Product Thickness	1.5 ~ 14.0mm
Steel Grade	C40 ~ C70
Uses	Pipes (60%), cold-rolled coil (15%), infrastructure (15%), machinery (5%)
Quality System	ISO9001:2000



STRONG DEMAND

Demand for Delong's products remained consistently strong

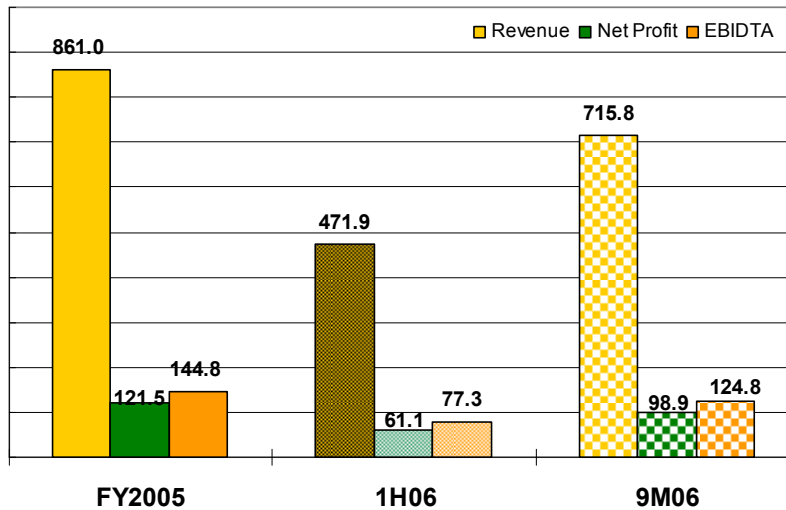
Plant Utilisation Rate	100%
Finished Goods Stock Level	1 day
Trade Receivables	Negligible

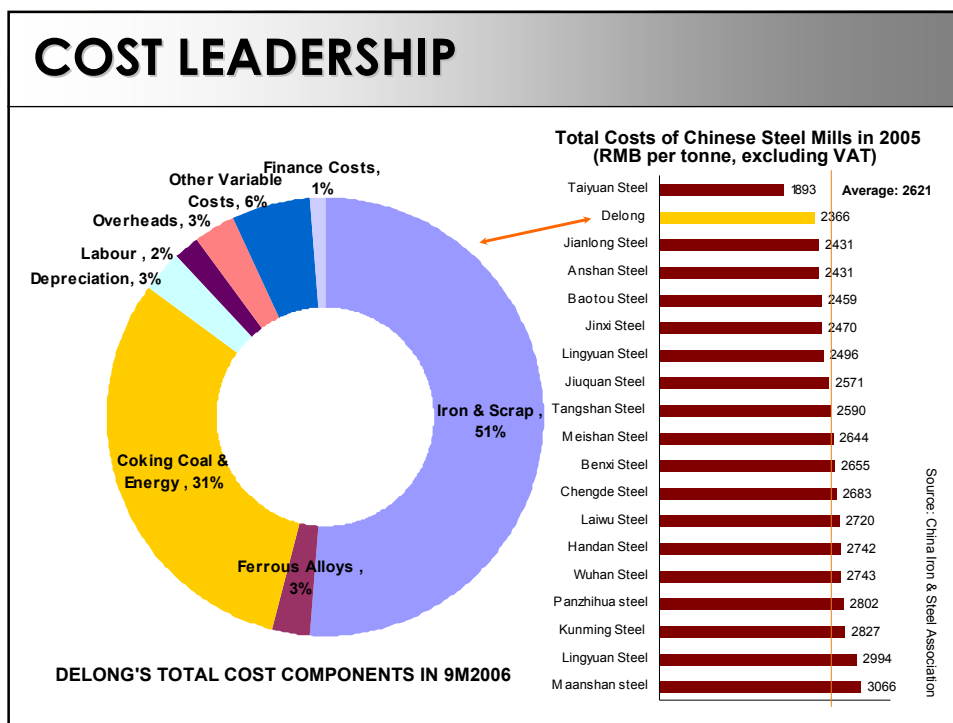
As at 30 September 2006

PROFITABILITY

SGD million

Financial Year Ends 31 December





BALANCE SHEET HIGHLIGHTS

SGD million	As at 31 Dec 04	As at 31 Dec 05	As at 30 Sept 06
Current Assets	223.2	153.8	202.0
Non-Current Assets	195.1	361.5	486.4
Current Liabilities	349.6	286.2	385.0
Non-Current Liabilities	11.2	10.1	7.1
Total Equity	57.5	219.1	296.4
NTA (SG cents)	1.17	4.13	5.58
Gearing Ratio	2.76	0.50	0.56

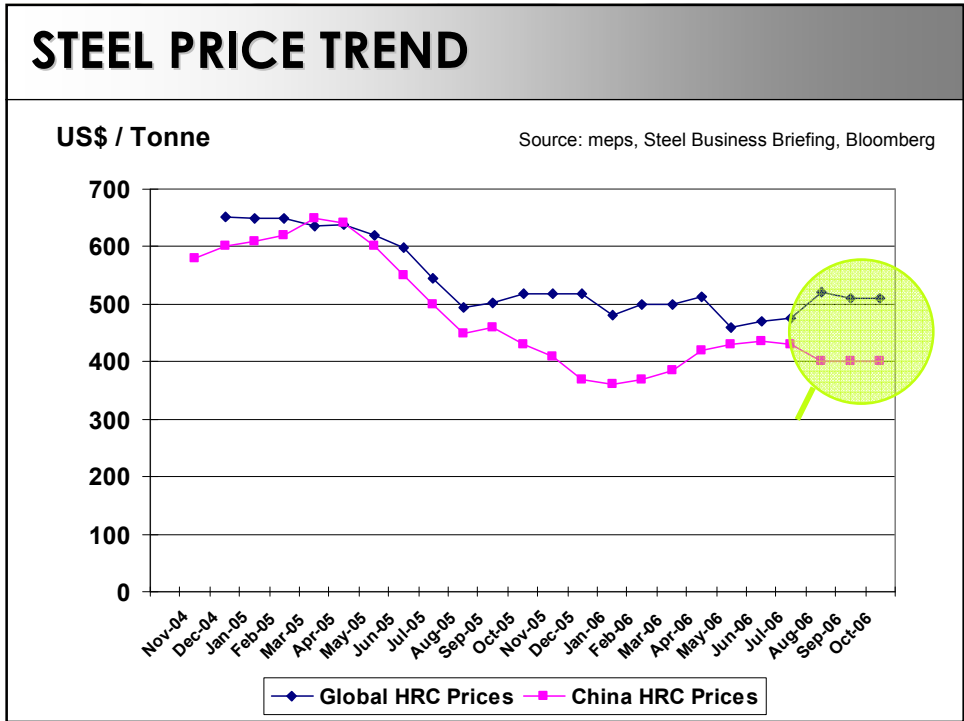
CASHFLOW HIGHLIGHTS

SGD million	Dec 04	Dec 05	9M06
Operating	46.0	180.7	128.1
Investing	(21.1)	(170.4)	(152.6)
Financing	2.5	(36.1)	35.6
Net Cash Inflow	27.4	(25.8)	11.1
Beginning Cash	13.6	41.0	15.3
Ending Cash	41.0	15.2	26.4



INDUSTRY OUTLOOK





TRENDS AHEAD

Sustained Demand
 According to China Iron & Steel Association, PRC steel demand expected to continue growing at 10-13% in 2007.

Accelerated Industry Consolidation
 In June 2006, the PRC government reiterated policies announced in July 2005 to accelerate domestic industry consolidation which will lead to price stability and opportunities for Delong.



GROWTH STRATEGY & PLANS



NEW CRC PLANT

Market Potential

- PRC has been importing high value steel products such as cold-rolled coils (“CRC”) but exporting lower value steel products
- PRC government is encouraging steel mills to move up technological ladder to produce higher value-added products

Cold-Rolled Coil

- CRC is a high quality, high value-added steel product converted from HRC.
- It is commonly used in the automotive and electronics industries, amongst others.



NEW CRC PLANT

Feasibility Studies on New CRC Plant

- Group is negotiating selection of equipment and ancillary facilities and conducting discussions with potential investment or technology partners
- CRC plant shall be of designed capacity of 500,000 tonnes per annum
- The proposed CRC plant would be a logical downstream product extension of the Group's HRC production.



德龙控股

DELONG HOLDINGS

www.dlholdings.com

Delong Holdings Limited

80 Raffles Place
#56-02 UOB Plaza I
Singapore 048624
Tel: (65) 6535 8208
Fax: (65) 6535 7505
Poh Kiat, pkiat@singnet.com.sg

Investor Contact

WeR1 Consultants Pte Ltd

29 Scotts Road
Singapore 228224
Tel: (65) 6737 4844
Fax: (65) 6737 4944
Lai Kwok Kin, laikkin@wer1.net
Jes Chan, jeschan@wer1.net

